



The Roles and Competencies of Human Resource Professionals within Human Resource Transformation in Sidoarjo and Pasuruan Manufacturing Industries

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ABSTRACT

Objective – This survey research identifies and describes the current execution of roles and competencies of human resource professionals in Sidoarjo and Pasuruan manufacturing industries. It also examines the significant influence of those competencies on roles of human resource professionals within human resource transformation.

Methodology/Technique – Referring to complexity of the research framework and amount of samples, mean score and partial least square are used to analyse data.

Findings – The result shows that respondents possessed Operational Executor competency focusing in labor legislation and performed Employee Champion role focusing on participating to build employee's moral. HR Competencies on HR Professional Competencies have the most significant influence on HR Roles on Operational Focus. In conclusion, the respondents' position is still on traditional human resource function and work more on day-to-day activities (operational).

Novelty – It reveals that human resource transformation is not done in their companies yet. Implication to respondents is that they need human resource consultant to help them implement human resource transformation because they are still lack of competencies and roles.

Type of Paper: Empirical

Keywords: Human Resource Roles, Human Resource Competencies, Human Resource Transformation, Human Resource Function, Business Environment Changes.

JEL Classification: O15.

1. Introduction

For more than twenty years, human resource management (HRM) had been evolving in response to the demographic trends and changing business conditions which moved globally. Many expertises and scientists of HRM had transformed human resource (HR) roles strategically in business activities to meet those demands. A wellknown concept of new human resource roles had been released by Dave Ulrich providing the fourth roles of HR resource professionals, which consist of Strategic Partner, Employee Champion, Change Agent, and Administrative Expert (Wang, Y.D and Niu, H.J.: 2010).

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In Indonesia, this concept had been used as assessment base for *HR Excellence Competition Awards* held by Management Institution of Economic Faculty from Indonesia University accompany with SWA magazine (Soetjipto, 2008). According to that, more than 300 big companies in Indonesia attended this competition in 2007. Refers to this empirical study, many big companies in Indonesia had implemented HR transformation by using HR Roles's concept. According to this research conducted in 2011, it was predicted there will be more companies and maybe even medium size companies implement HR transformation in 2011 onwards.

2. Literature Review

The changing roles of HR that in the past few years, roles for HR professionals were often viewed in terms of the transitional form such as operational to strategic; but HR professionals must fulfill both operational and strategic roles (Ulrich, 1997; Bhatnagar & Salma, 2005). Researchers gave emphasis on the requirements of HR competencies that are important to execute the new HR Roles and to demonstrate capabilities of HR professionals in order to get credibility among them in the organization. Revolutionary change and the blurring of boundaries in the business world have resulted in an emphasis on the alignment of all functional activities of the organization toward the achievement of strategic objectives. One consequence of this trend is that many have called for a new strategic role for the HR function (Schuler, 1992; Lemmergaard, 2008).

In the new HR function that in order to create value and deliver results, HR professionals must begin not by focusing on the activities or work of HRM but by defining the deliverables of that work. Deliverables guarantee outcomes of HRM work. In terms of deliverables, there are four key roles that HR professionals must fulfill to make their business partnership a reality, which are *Strategic Partner*, *Change Agent*, *Employee Champion*, and *Administrative Expert* (Ulrich, 1997; Bhatnagar & Salma, 2005).

2.1. Human Resource Roles

HR Roles is a development theory of traditional HR (administrative) to comprehensive HR roles, integrated, and deliver value to organizational competitive advantage. In its growth, those roles direct to people and process roles. As cited from Ulrich concept, it is described how HR results value added through four key roles of HR in order to meet the needs of organization. The two arrow axes show professionalism of HR in its focus and activities work.

The four HR Roles consist of, Management of Strategic HRM, Management of Transformation and Change, Management of Employee Contribution, and Management of Firm Infrastructure. Those four key roles are expected to be performed by HR professionals comprehensively in order to be strategic partners of the companies. Meanwhile the new HR roles become more strategically, the expectation to HR professionals follow in order to perform all accordingly. Expectation to HR professionals means that higher capabilities expected in this case, and to achieve that, specific HR competencies must be afforded by HR professionals.

2.2. Human Resource Competencies

Following to the development of HR roles to become more strategically, many researchers conducted surveys to get findings of what the required competencies needed to execute strategic HR roles. A competency model can serve as an integrative framework for an organization's entire HR system. It can help align the HR system vertically with the organization's strategic objectives, or horizontally with other HR functions, to ensure harmony and consistency across the many facets of HR activities that impact human performance (Rothwell & Wellins, 2004; Ramlall, 2006). The demands of new competencies for HR professionals seem to be a must that to sustain transformation of HR function, HR professionals must develop and demonstrate a new set of competencies to fulfill the changing roles and responsibilities (Yeung et al., 1996; Ramlall, 2006).

Understanding those statements from researchers, there is a new set of competencies model "Human Resource Competency Study (HRCS) 2007" released by Ulrich & RBL Research Team 2010 that provide of

what key competencies suitable to HR professionals to perform and execute the new HR Roles and add values to the sustainable competitive advantage of the organization. It shows that successful HR professionals must manage both people and the business. Within these two major dimensions, the research has identified these six domains that lead to excellence in a HR professional is as follows.

2.2.1 Credible Activist

The most effective HR professionals are both credible (respected, admired, and listened to) and active or activist (offers a point of view, takes a position, challenges assumptions). Some have called this “HR with an attitude.” HR professionals who are credible but not activists are admired but have little impact. Activists who are not credible have ideas that no one implements. Credibility moves you up the people axis, and activism moves you up the business axis. As credible activists, HR professionals create sustainable business outcomes as they link the people and business dimensions with energy, insight, sensitivity, and impact. The Credible Activist domain has four sub-domains: 1) Delivering Results with Integrity; 2) Sharing Information; 3) Building Relationships of Trust; 4) Doing HR with an Attitude. Focusing on these actions will help the HR professional excel at the role of Credible Activist. Both are required for transformational HR.

2.2.2 Business Ally

Businesses succeed by setting goals and objectives that respond to external opportunities and threats and executing plans of action that achieve those ends. HR professionals should contribute to the success of a business by knowing the social context or setting in which their business operates. They also know how the business makes money (which we call the value chain of the business), who customers are, why they buy the company’s products or services, and how the company has organized itself to respond to customer requirements. Finally, they have a good understanding of the internal business processes, of the value proposition of the various functions (finance, marketing, research and development, engineering), and of what these functions must accomplish and how they work together, so that they can help the business organize to make money. They can pass a business literacy test of how the business operates. The Business Ally domain is composed of four sub-domains: 1) Interpreting Social Contract; 2) Serving the Value Chain; 3) Articulating the Value Proposition; 4) Leveraging Business Technology. Focusing on these actions will help the HR professional excel at the role of Business Ally.

2.2.3 Strategy Architect

The most effective HR professionals have a vision for how the organization can perform and win in the marketplace, now and in the future. HR professionals play an active part in the establishment of the overall strategy to deliver on this vision by being an active participant in creating strategy. They also turn strategy into HR practices that culminate in organizational capabilities. They ensure that leader behaviors throughout the organization match the strategy. They help articulate how the strategy bridges employees inside and customers outside. They manage the process of who is involved in shaping and sharing the strategy. The Strategy Architect domain has two sub-domains: 1) Sustaining Strategic Agility and 2) Engaging Customers. Focusing on these actions will help the HR professional excel at the role of Strategy Architect. The Engaging Customers factor was added to the Strategy Architect domain after the Non-HR associates' dataset was factored separately from the respondents who were HR professionals. This is significant because it shows that this is seen as an important competency for the HR professional by Non-HR associates, while it is not seen as important by HR professionals themselves.

2.2.4 Operational Executor

The most effective HR professionals execute the operational aspects of managing people and organizations. Policies need to be drafted, adapted, and implemented. Employees also have many administrative needs (for example, to be hired, trained, relocated, and paid), and HR professionals ensure that these basic needs are efficiently dealt with through technology, shared services, or outsourcing. This operational work of HR ensures credibility if it is executed flawlessly and grounded in the consistent application of policies. HR professionals continually solicit and receive feedback from employees on the accuracy, speed, and responsiveness of all HR administrative processes and practices. The Operational Executor domain has two sub-domains: 1) Implementing Workplace Policies and 2) Advancing HR Technology. Focusing on these actions will help the HR professional excel at the role of Operational Executor.

2.2.5 Talent Manager and Organization Designer

The most effective HR professionals master theory, research, and practice in both talent management and organizational design. Talent management focuses on competency requirements and how individuals enter and move up, across, or out of the organization. Organizational design focuses on how a company embeds capability (for example, collaboration or innovation) into the structure, processes, and policies that shape the way it works. HR professionals should ensure that the company's means of talent management and organizational capabilities are aligned with strategy, integrated with each other, and working effectively and efficiently.

HR is not just about talent or organization; it is also about the two of them together. Good talent without a supporting organization will not be sustained, and a good organization will not deliver results without talented individuals with the right competencies in critical roles. The Talent Manager and Organization Designer domain has five sub-domains: 1) Ensuring Today's and Tomorrow's Talent; 2) Developing Talent; 3) Shaping Organization; 4) Fostering Communication; 5) Designing Rewards Systems. Focusing on these actions will help the HR professional excel at the role of Talent Manager and Organizational Designer. The Designing Rewards Systems factor was added to the Talent Manager and Organization Designer domain after the Non-HR associates dataset was factored separate from the respondents who were HR professionals. This factor was considered an important competency by HR professionals as well, but under their dataset, it showed up as significant under the Operational Executor domain. We determined to consider this an important factor of the Talent Manager and Organization Designer role instead of the Operational Executor role because the outside-in view of the competencies of HR professionals is likely to be more accurate in determining what is essential for HR professionals.

2.2.6 Culture and Change Steward

The most effective HR professionals appreciate, articulate, and help shape a company's culture. Culture is a pattern of activities rather than any single event. Ideally, this culture starts with clarity around external expectations (firm identity or brand) and then translates these expectations into internal employee and organizational behaviors. As stewards of culture, HR professionals respect the past culture and also help to shape a new culture. They coach managers in how their actions reflect and drive culture, weave cultural standards into HR practices and processes, and make culture real to employees. Additionally, successful HR professionals facilitate change by helping to develop an appropriate company culture and by developing disciplines to make change happen throughout the organization. This may include implementation of strategy, projects, or initiatives. They help turn what is known into what is done. The Culture and Change Steward domain has four sub-domains: 1) Facilitating Change; 2) Enacting Culture; 3) Crafting Culture; 4) Personalizing Culture. Focusing on these actions will help the HR professional excel at the role of Culture and Change Steward. The six domains and sub-domains of HR competencies as above mentioned are to be used in preparing questionnaires as an instrument in this research (details of the above six domains are cited from Ulrich & RBL Research Team, 2010, p. 6-8).

2.3. Traditional Human Resource Function

In the past, the HR function was recognized as the personnel management that focuses on administration (selection, appraisal, reward, and development), welfare and industrial relationship (Fombrun et al., 1984; Long, Y, 2009: 18). Traditional HR function focuses on day-to-day activities, tried to meet employees' needs and made control to them.

2.4. The New Human Resource Function

The main tasks of HR professionals still focused on the daily administration, but broadened management activities are involved in the HR function, which reflected that the HRM began to pay its attention to the relationship with strategic business issue. The lack of integration with the line management level, and the lack of power were the two major obstacles affecting the effectiveness of HR function. To be more effective on service delivery, HR function needed to be strategic on operational and managerial level, and to become more mission-oriented (Hall & Goodale, 1986; Long, Y, 2009: 19-20).

The development of HRM has made the HR function has changed a great deal from the activities and transactional basis to management level and strategic focus. This shiftment has made the traditional structure of HR function different with the involvement of line managers and employees in HR issues.

2.5. Understanding Human Resource Transformation

Ulrich et al. mentioned that a true HR transformation is an integrated, aligned, innovative, and business focus approach to redefining how HR work is done within organization so that it helps the organization deliver on promises made to customers, investors, and stakeholders (Ulrich et al., 2009: 8-9). Beside HR professional, the important position for the successful of HR transformation is Line Manager. The line managers who believe that issues like talent, organizational capability development, strategy execution, and leadership are the keys to their business success (Ulrich et al., 2009: 4).

HR transformation is about transforming HR function, HR practices, and HR professionals. In the process of doing it, HR function changes to strategic level in order to be aligned with business strategy. A HRtransformation in HR function can be interpreted into two aspects: firstly, the main tasks of HR professionals have changed by redesigning its structure, or out-sourcing the whole HR department. Secondly, it is a change of management level. An obvious change is the participation of line manager and employees into the staffing issue along with the HR professionals (Mohrman & Lawler, 1997; Long, Y, 2009: 29). Given an understanding of the statements, the accountability of HR transformation is on the senior human resource professional, which is in the position of strategic level. HR professional on managerial level together with Line Managers work on HR practices, while on operational level remains to employees and/or outsourcing. HR professionals will succeed in performing HR Roles to implement HR transformation with quality standard of HR competencies. For the successful of HR transformation and achieving the business result, HR professionals are expected to transform themselves by upgrading with quality standard of competencies.

2.6. The Relationship between HR Roles and HR Competencies

It comes to the attention competencies is important on the changing roles of HR resource. This changing has made HR professionals perform their new roles in HR transformation process and add value to their companies. And HR professionals are expected to possess quality standard of HR competencies for it. To become a successful strategic partner, the HR manager must have competencies that have to do with the business issues involved in strategy and strategy development, and ability to contribute to organizational design and change management (Lawler III and Mohrman, 2003; Inyang, 2010). HR executive must work with top

management in achieving concrete plans and results if HR is to become a strategic partner. They must understand the operational side of the business and comprehend the complex organizational design, and they must be able to determine the strategic capabilities of the company's workforce, both today and in the future (Mondy, 2010: 14).

It is known that for the successful implementation of strategic partner role, HR professionals are expected to transform themselves with new key competencies that make them in the position of senior management level in order to work with top management to contribute to strategic business objectives. HR professionals are also expected to translate the formulation strategies into strategic plans and executions (HR policies and practices).

2.7. Conceptual Model

A model is given for understanding the complex synergies that HR professional has to perform the operational and strategic roles in perspective the people and process. On the operational side, there are two issues that form the basis of performing day-to-day activities. Figure 1 is a conceptual model of the relationship between HR Competencies and HR Roles.

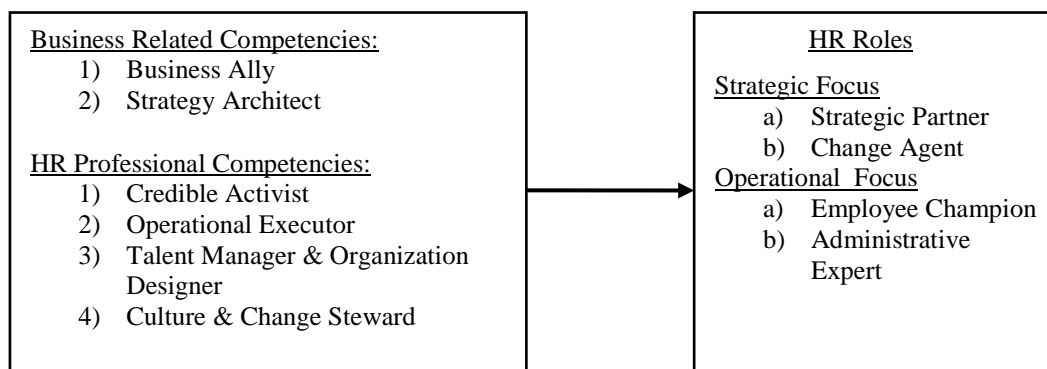


Figure 1. Conceptual Model

Source: Modified from: Long, Choi S. & Wan, K.W. Ismail, 2008.

2.8. Research Framework and Hypothesis

The figure is modified from the above conceptual model, to test whether HR Competencies, which have two dimensions of Business Related Competencies and HR Professional Competencies, have significant influence on HR Roles which also have two dimensions of Strategic Focus and Operational Focus. Testing is to be done separately on the relation of each dimension of both sides. So, this research is expected to find the most significant influence of HR Competencies on HR Roles. Research framework can be seen on Figure 2.

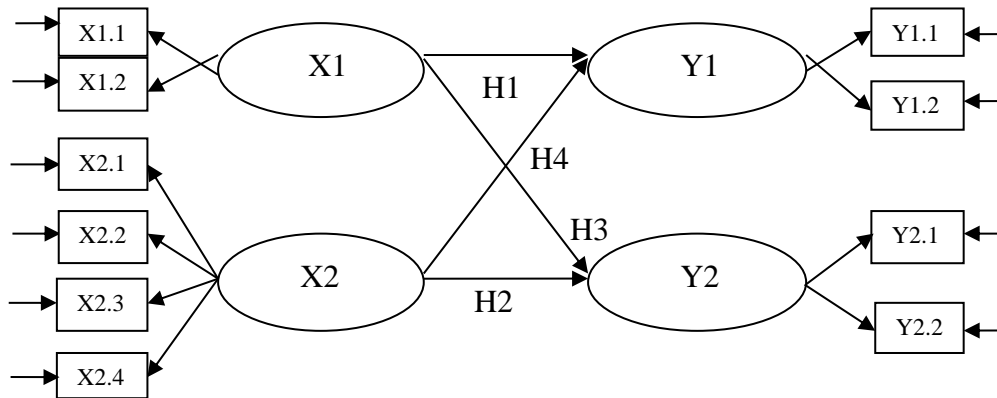


Figure 2. Research Framework in Form of Path Diagram Construct

Note:

X1 = Business Related Competencies
 X2 = HR Professional Competencies
 X1.1 = Business Ally
 X1.2 = Strategy Architect
 X2.1 = Credible Activist
 X2.2 = Operational Executor
 X2.3 = Talent Manager & Organization Designer
 X2.4 = Culture & Change Steward

Y1 = HR Roles on Strategic Focus
 Y2 = HR Roles on Operational Focus
 Y1.1 = Strategic Partner
 Y1.2 = Change Agent
 Y2.1 = Employee Champion
 Y2.2 = Administrative Expert

H1 – H4 = Hypothesis

Hypotheses are drawn based on theoretical and empirical above that arrange in the figure of research framework, and formulated as follows:

- H1:** Business Related Competencies are expected to have significant influence on HR Roles on Strategic Focus.
H2: HR Professional Competencies are expected to have significant influence on HR Roles on Operational Focus.
H3: Business Related Competencies are expected to have significant influences on HR Roles on Operational Focus.
H4: HR Professional Competencies are expected to have significant influences on HR Roles on Strategic Focus.

3. Research Methodology

Participants of this research were HR professionals from Sidoarjo and Pasuruan manufacturing industries in East Java. Respondents were members of Human Resource Managers Associations who attend to their monthly gathering on the certain dates, at that moment the researchs were conducted. Result of this research have only 46 respondents who returned their survey instrument after filled it out. Convenience or Accidental sampling was utilized considering the easiest to reach respondents, distribute survey instrument and collect them at the same time. Interview method was accomplished directly to chairmen and few members of the associates in order to get information excluding list of questionnaires.

Data collection instruments used in this research is quantitative method. Survey instrument is developed based on 6 domains and 21 sub-domains of HR competencies identified on HRCS 2007 (Ulrich & RBL team, 2010), and four HR roles of Ulrich's concept (1997) as well. Questionnaire rating used for HR competencies is Likert scale that ranged from: 1 = strongly disagree, 2 = disagree, 3 = moderately agree, 4 = agree, and 5 = strongly agree. While rating of questionnaire used for HR roles is Likert scale that ranged from : 1 = very little extent, 2 = little extent, 3 = some extent, 4 = large extent, 5 = very large extent. This instrument used to ask respondents how well they perform their HR roles and what competencies they possess to perform it on their

daily work. This instrument also used to measure how well they implement HR transformation in their work. Information gathered from interview completed the data to be analyzed. Partial Least Square (PLS) used to analyze data with some considerations, such as predict orientation, small amount of samples (46 samples), high complexity (105 indicators). According to Ghazali, Modeling in PLS consists of : *Inner model (Structural model)* is structural model that relates latent variable to other latent variables; *Outer model (Measurement model)* is measurement model that relates latent variable to its indicators or manifest variables ; *Weight Relation* is in which case values of its latent variables can be estimated (Gozali, 2008: 22). The outer and inner models then can be figured out in path diagram construct, which is displayed on Figure 2.

Hypothesis testing is done by using Bootstrap resampling method, developed by Geisser & Stone. Statistic test used is t test. Application of resampling method enabling distribution free going into effect, does not need normal distribution assumption and also does not need big amount of samples (minimum sample recommended is 30). For t test, $p\text{-value} \leq 0,05$ (alpha 5 % = 1.96); significant) (Ghozali, 2008: 44).

4. Results

All of respondent represented as Human Resource Managers because these associations were discussing human resource problems and for Human Resource Managers only. Total respondents is 46 people, the majority and highest position of all members are HR Managers, reached 34 respondents (74%). HR Supervisors are 10 (22%). Three respondents who still in these positions although they have been working for more than 15 years. The rest of two are Finance and accounting staffs who also handle HR's job (4%). On the last two positions usually indicated that there is no HR Manager's position in their medium size companies. They attended to this event represented themselves as HR Managers.

There are 18 respondents who have been working for 15 years and more in HR's job (39%). Respondent who have been working in HR's job for 10 to 14 years are 10 respondents (22%). Surprisingly, there are 18 respondents (39%) who have been working in HR's job for 1 to 9 years, and mostly in HR Manager position. Respondents level and background of education could reveal the capabilities and competencies of executing human resource roles. Respondents who held Master degree is 5 (11%). All of them are in the position of HR Managers. Bachelor degree is very common on the level of education for each employee, it reached 34 respondents (74%). The rest of 7 respondents were Non degree (15%). Result of validity and reliability test using PLS describe that both are valid and reliable, shown stability and high consistency in answering questionnaire construct.

The mean score shows the highest mean score of HR Competencies is that of the Operational Executor. It obtained mean score of 4.174, it means the preference of respondents possess HR competency of Operational Executor. To find the specific competency of Operational Executor, the highest score of respondents' preference in choosing each item of Business Ally is on the 3rd level of Likert's scale with 38,42%. It means that 38,42% of all respondents are moderately agreed to possess competency of Business Ally. The highest score of choosing each item of Business Ally is BA4 with 56,5%. It means that 56,5% of all respondents possess competency of Business Ally on doing demographic trends that influence their business. Other data processing is presented on the finalization of the result.

While on HR Roles, the result shows that the highest mean score of HR Roles is that of Employee Champion. It obtained mean score of 3.833, it means the preference of respondents execute HR roles is that of Employee Champion. The highest score of respondents' preference in choosing each item of Strategic Partner is on the 4th level of Likert's scale with 38,91%. It means that 38,91% of all respondents on executing or performing the role of Strategic Partner is large extent. The highest score of choosing Strategic Partner is SP1. It means that 45,3% of all respondents execute or perform the role of Strategic Partner on developing the processes and strategy programs of human resource to achieve business strategy of the company. Other data processing is presented on the finalization of the result.

The result shows of linierity test with curve fit that Significant F = 0.0000 is less than 0.05, it means the relationship of model 1, which is Business Related Competencies and HR Roles on Strategic Focus is linear.

For model 2, 3, and 4 by the same data processing have given result that the three models are linear as well. So it can be concluded that :

Model 1 : Business Related Competencies and HR Roles on Strategic Focus

Model 2 : HR Professional Competencies and HR Roles on Operational Focus

Model 3 : Business Related Competencies and HR Roles on Operational Focus

Model 4 : HR Professional Competencies and HR Roles on Strategic Focus are linear on the relationship of each variable.

Loading factor recommended is more than 0.50. It shows all convergent validity scores are higher than critical score of 0.50, it means that all indicators in the constructs are valid. Method to test discriminant validity is AVE (Average Varians Extracted) for each construct. AVE score of each variable must be more than 0.50, so that variable used is valid. PLS output of AVE shows that AVE score for all variables are more than 0.50, hence variables used in this research are valid. Indicator block which measure a construct can be evaluated with two kinds of measurement, such as *internal concistency* developed by Werts, Linn & Joreskog (1974) and *Cronbach's Alpha*. Accepted critical score for level of composite reliability (ρ_c) is more than 0.70 (Ghozali, 2008: 25). By using PLS output, herewith the table of reliability test result. Based on this, it is shown that scores of Composite Reliability as well as *Cronbach's Alpha* are more than 0.70. These indicate that all variables used in this research have good reliability.

Testing for structural model have been done by assessing R-Square score for dependent construct, Stone-Geisser Q-Square test for predictive relevance, and t test and also parameter coefficient significancy of its structural linear which obtained from *bootstrapping* procedure for hypoth esis testing (Ghozali, 2008:26). It is shown that R-Square on Operational Focus is 0.5706. It indicates that this model has Goodness of Fit of 57.06%. It means that variability of X1(Business Related Competencies) and X2 (HR Professional Competencies) give contribution to Operational Focus equal to 57.06%, while the rest 42.94% is contributed by other variables outside this research. The second result of R-Square on Strategic Focus is 0.5501. It indicates that this model has Goodness of Fit of 55.01%. It means that variability of X1 (Business Related Competencies) and X2 (HR Professional Competencies) give contribution to Strategic Focus is 55.01%. the rest of 44.99% is contributed by other variables outside this research.

Q-Square test for predictive relevance is to measure how good observation score is resulted by model and also its parameter estimation. Q^2 score has range of $0 < Q^2 < 1$, when the closer score to 1, the model is better. Q-Square is obtained by using the formula:

$$\begin{aligned} Q^2 &= 1 - (1 - R_1^2) (1 - R_2^2) \dots (1 - R_p^2) \\ Q^2 &= 1 - (1 - 0.5501) (1 - 0.5706) \\ &= 1 - 0.1932 \\ &= 0.8068 \end{aligned}$$

Q^2 -Square score resulted is 0.8068, refers to observation score resulted by model and also its parameter estimation has measured 80.68% better.

Hypothesis testing is done by using *Bootstrap* resampling method, developed by Geisser & Stone. Statistic test used is t test. Application of resampling method enabling distribution free going into effect, does not need normal distribution assumption and also does not need big amount of samples (minimum sample recommended is 30). Statistical significancy is on $p\text{-value} \leq 0,05$ (alpha 5 % = 1.96) (Ghozali, 2008: 44).

The result of PLS output can be explained that:

- Business Related Competencies have positive influence on Strategic Focus with path coefficient of 0.5038, and tvalues obtained 3.276 is more higher compared to ttable of 2.015, so that H_0 is rejected. It means Business Related Competencies have significant influence on HR Roles on Strategic Focus.

- HR Professional Competencies have positive influence on Operational Focus with path coefficient of 0.6377, and tvalues obtained 9.343 is more higher compared to ttable of 2.015, so that H0 is rejected. It means HR Professional Competencies have significant influence on HR Roles on Operational Focus.
- Business Related Competencies have positive influence on Operational Focus with path coefficient of 0.1626, and tvalues obtained 2.038 is more higher compared to ttable of 2.015, so that H0 is rejected. It means Business Related Competencies have significant influence on HR Roles on Operational Focus.
- HR Professional Competencies have positive influence on Strategic Focus with path coefficient of 0.3047, and tvalues obtained 2.088 is more higher compared to ttable of 2.015, so that H0 is rejected. It means HR Professional Competencies have significant influence on HR Roles on Strategic Focus.

5. Discussion

5.1. HR Roles and HR Competencies by HR professionals

Result of this research shows that mostly respondents possess HR Competencies on Operational Executor focusing on labor legislation is the highest level. Operational executor still works on the orientation of people and operational focus, day to day basis. Result of HR Roles, mostly respondents execute or perform the role of Employee Champion focusing on participating to build employee's morale is the biggest role that currently executed by them.

When it refers to the information gathered from interviewed with chairmen and members of the associations, these result make sense. According to them, only few of their companies in Sidoarjo have done organization transformation, while in Pasuruan is none. It because all of respondents in Pasuruan work at private and medium size companies owned by individual that still implement traditional human resource management function. Although respondents were quite familiar with the HR Roles concept from Ulrich, they did not know much how to implement it in their companies. The owners or shareholders have just felt enough of what they have gained, did not need to make improvement for the future. So that respondents have to take it for granted of what they faced with these conditions without having effort of making changes for their work. The background and level of education of respondents have also resistance to make changes in management.

5.2. HR Competencies that influence on HR Roles

The result shows the highest R-Square is on Operational Focus, which has the score of 0.5706. It indicates that this model has Goodness of Fit of 57.06%. When it compared to R-Square's score on Strategic Focus, which is 0.5501, the variability of Business Related Competencie (X1) and HR Professional Competencies (X2) have more fitted on Operational Focus (Y2). Referring to hypothesis testing, each of the hypothesis is proven by *Bootstrapping* result, and the result shows the most significant influence is that of HR Professional Competencies on HR Roles on Operational Focus (0.6377) with tvalues of 9.343.

These results prove the findings of respondents' preference that the majority of HR Competencies is Operational Executor as well as HR Roles on Employee Champion. When it refers to the rank of finding for HR Competencies, as previously mentioned that Operational Executor is the most preference. And the position of Employee Champion is on Operational Focus. So that it can be decided that HR Professional Competencies have most significant influence on HR Roles on Operational Focus.

6. Conclusion and Implication

6.1. Conclusion

Based on the results that already discussed, mostly respondents possess or perform HR roles and HR competencies are still on standard quality of traditional human resource function. While HR transformation can only be done by senior HR professional which is on strategic level. The conclusion is that HR transformation is not done in respondents' companies.

6.2. Implication

HR transformation need to be more socialized to business communities especially in East Java. HR transformation is a must to be done in global business nowadays to have competitive advantage to organization. HR professionals proactively to inform their top management as well as shareholders about HR transformation if their companies have urgency to gain competitive advantage in the marketplace, meanwhile HR professionals have to transform their competencies and roles to be strategic partners for their companies.

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